



# CITY OF LODI

## COUNCIL COMMUNICATION

**AGENDA TITLE:** Letter from Pacific Bell Regarding Application for Pricing Flexibility and To Increase Prices of Certain Operator Services, To Reduce the Number of Monthly Directory Assistance Call Allowances, and To Adjust Prices for Four Centrex Optional Features

**MEETING DATE:** June 3, 1998

**PREPARED BY:** City Clerk

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**RECOMMENDED ACTION:** Information only, no action required.

**BACKGROUND INFORMATION:** The City Clerk's Office has received an application from Pacific Bell for pricing flexibility and to increase prices of certain operator services, to reduce the number of monthly directory assistance call allowances, and to adjust prices for four Centrex optional features (Exhibit A). This is information only, no Council action is required.

**FUNDING:** None

  
Alice M. Reimche  
City Clerk

**APPROVED:** \_\_\_\_\_  
H. Dixon Flynn -- City Manager

**EXHIBIT A**

**PACIFIC  BELL®**

A Pacific Telesis Company

RECEIVED

MAY 15 AM 10:11

RECEIVED  
CITY CLERK  
CITY OF LOS ANGELES

May 12, 1998

To Whom It May Concern:

On May 5, 1998, Pacific Bell filed an application with the California Public Utilities Commission for pricing flexibility and to increase prices of certain operator services, to reduce the number of monthly directory assistance call allowances, and to adjust prices for four Centrex optional features.

The attached Notice summarizes Pacific's application, and is hereby being served upon you in conformance with the Commission's Rules of Practice and Procedure (Rule 24).

PACIFIC BELL

Enclosure

[10 day notice]

**IMPORTANT INFORMATION ABOUT PACIFIC BELL'S  
PROPOSED PRICE INCREASES FOR OPERATOR AND DIRECTORY  
ASSISTANCE SERVICES AND CENTREX OPTIONAL FEATURES**

On May 5, 1998, Pacific filed its application (Application No. \_\_\_\_\_) with the California Public Utilities Commission ("CPUC") to request pricing flexibility and to increase prices for its Busy Line Verification ("BLV"), Emergency Interrupt ("EI"), and Local Directory Assistance ("DA") services ("411" and "1-area code-555-1212") and to reduce the number of free monthly DA call allowances for residential and business customers. Pacific also requested to increase the prices of Centrex Optional Features. In addition, prices for Pacific's related wholesale counterparts (for BLV, EI, Local DA, and Centrex Optional Features) will be increased accordingly.

Busy Line Verification, upon a customer's request, requires Pacific's operator to check if a conversation is in progress. If there is a conversation on the line, the caller may request an Emergency Interrupt. Local DA allows customers to obtain the listed telephone numbers and published addresses, if available, of other telephone customers within their Local Access Transport Area ("LATA") from Pacific's DA records. Each month, Pacific's residential and business customers receive, per telephone line, an allotment of free calls to DA to use before being charged to use the service. The Centrex Optional Features subject to this Application are Directed Call Park, Call Park, Exchange & Toll Message Diverting, and Deluxe Queuing Recorded Announcement.

<b><u>Proposed Retail Price Increases:</u></b>	<b><u>Current</u></b>	<b><u>Proposed</u></b>	<b><u>% Increase</u></b>
Operator Services:			
• Busy Line Verification	\$0.50	\$2.00	300%
• Emergency Interrupt	\$1.00	\$4.00	300%
• Local Directory Assistance	\$0.25	\$0.50	100%
Centrex Optional Features:			
• Directed Call Park	\$0.75	\$0.82	9%
• Call Park	\$0.75	\$0.77	3%
• Exchange Toll & Message Diverting	\$0.50	\$0.52	4%
• Deluxe Queue Recorded Announcement	\$17.50	\$17.64	1%

Additionally, the call allowances for residential Local DA will decrease from 5 to 3 calls per month. The call allowances for business and miscellaneous services will be eliminated. Prices for these services are currently below cost and well below what others are charging.

<b><u>Proposed Resale Price Increases:</u></b>	<b><u>Current</u></b>	<b><u>Proposed</u></b>	<b><u>% Increase</u></b>
Operator Services:			
• Busy Line Verification	\$0.42	\$1.66	300%
• Emergency Interrupt	\$0.83	\$3.32	300%
• Local Directory Assistance	\$0.21	\$0.42	100%

	<u><b>Current</b></u>	<u><b>Proposed</b></u>	<u><b>% Increase</b></u>
Centrex Optional Features:			
• Directed Call Park	\$0.62	\$0.68	10%
• Call Park	\$0.62	\$0.64	3%
• Exchange Toll & Message Diverting	\$0.42	\$0.43	2%
• Deluxe Queue Recorded Announcement	\$14.53	\$14.64	1%

Additionally, the changes to the call allowances for resale service are the same as those stated above for Pacific's retail service. The above pricing proposals are subject to CPUC approval and may be significantly altered, changed, or modified by the CPUC. We have also filed a motion with the CPUC to seal Exhibit H (cost studies) of the application.

Copies of the application, related exhibits, amendments, and motions may be examined at the offices of the California Public Utilities Commission in San Francisco and Los Angeles. The addresses for the CPUC are as follows:

California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, California 94102

California Public Utilities Commission  
107 South Broadway  
Los Angeles, California 90012

Copies may also be examined in the Pacific Bell Public Offices listed in the Customer Guide section of the Pacific Bell® White Pages, under "Billing and Payment." Copies of the application, related exhibits, amendments, and motions may be obtained by writing to:

Pacific Bell  
Regulatory Manager - Tariff Library  
140 New Montgomery Street, Room 2501  
San Francisco, California 94105

If you want to comment on the proposed changes, receive information on how to participate in this case at the CPUC, or be notified of any hearings, write to either of the Public Advisor's Offices listed below. Refer to "Pacific Bell Application No. \_\_\_\_\_, filed May 5, 1998" in your written comments.

Public Advisor's Office  
California Public Utilities Commission  
505 Van Ness Avenue, Room 5303  
San Francisco, California 94102

Public Advisor's Office  
California Public Utilities Commission  
107 South Broadway, Room 5109  
Los Angeles, California 90012